

*Ms. Sewell & Alabama*  
Amendment Offered by Mr. Blumenauer of Oregon

This amendment would restore and expand the Historic Tax Credit.

## AMENDMENT

OFFERED BY ~~MR. BLUMENAUER OF OREGON~~*Ms. Sewell of Alabama*

At the end, add the following:

1 **TITLE VI—MODIFICATIONS TO**  
 2 **REHABILITATION CREDITS**

3 **SEC. 6001. REPEAL OF PROPOSED POLICY CHANGES.**

4 Section 3403 of this Act is repealed and shall have  
 5 no force or effect.

6 **SEC. 6002. INCREASE IN THE REHABILITATION CREDIT FOR**  
 7 **CERTAIN SMALL PROJECTS.**

8 (a) IN GENERAL.—Section 47 of the Internal Rev-  
 9 enue Code of 1986 is amended by adding at the end the  
 10 following new subsection:

11 “(e) SPECIAL RULE REGARDING CERTAIN SMALLER  
 12 PROJECTS.—

13 “(1) IN GENERAL.—In the case of any qualified  
 14 rehabilitated building or portion thereof—

15 “(A) which is placed in service after the  
 16 date of the enactment of this subsection, and

17 “(B) which is a smaller project,  
 18 subsection (a)(2) shall be applied by substituting ‘30  
 19 percent’ for ‘20 percent’.

1 enactment of this Act, under rules similar to the rules of  
2 section 48(m) of the Internal Revenue Code of 1986 (as  
3 in effect on the day before the date of the enactment of  
4 the Revenue Reconciliation Act of 1990).

5 **SEC. 6003. ALLOWANCE FOR THE TRANSFER OF CREDITS**  
6 **FOR CERTAIN SMALL PROJECTS.**

7 (a) IN GENERAL.—Section 47(c) of the Internal Rev-  
8 enue Code of 1986, as amended by section 2, is amended  
9 by adding at the end the following new subsection:

10 “(4) TRANSFER OF SMALLER PROJECT CRED-  
11 IT.—

12 “(A) IN GENERAL.—Subject to subpara-  
13 graph (B) and such regulations or other guid-  
14 ance as the Secretary may provide, the taxpayer  
15 may transfer all or a portion of the credit allow-  
16 able to the taxpayer under subsection (a) for a  
17 smaller project.

18 “(B) CERTIFICATION.—

19 “(i) IN GENERAL.—A transfer under  
20 subparagraph (A) shall be accompanied by  
21 a certificate which includes—

22 “(I) the certification for the cer-  
23 tified historic structure referred to in  
24 subsection (c)(3),

1                   “(I) shall not be allowed to the  
2                   transferor for any taxable year, and

3                   “(II) shall be allowable to the  
4                   transferee as a credit under this sec-  
5                   tion for the taxable year of the trans-  
6                   feree in which such credit is trans-  
7                   ferred.

8                   “(D) RECAPTURE AND OTHER SPECIAL  
9                   RULES.—The taxpayer who claims a credit  
10                  under this section by reason of a transfer of an  
11                  amount of credit under subparagraph (A) with  
12                  respect to a smaller project shall be treated as  
13                  the taxpayer with respect to the smaller project  
14                  for purposes of section 50.

15                  “(E) INFORMATION REPORTING.—The  
16                  transferor and the transferee shall each make  
17                  such reports regarding the transfer of an  
18                  amount of credit under paragraph (A) and con-  
19                  taining such information as the Secretary may  
20                  require. The reports required by this subsection  
21                  shall be filed at such time and in such manner  
22                  as may be required by the Secretary.

23                  “(F) REGULATIONS.—The Secretary shall  
24                  prescribe regulations or other guidance to carry  
25                  out this paragraph.”.

1 (b) COORDINATION WITH BASIS ADJUSTMENT.—  
2 Section 50 of such Code is amended by adding at the end  
3 the following:

4 “(e) COORDINATION WITH BASIS ADJUSTMENT.—In  
5 applying the provisions of former section 48(d)(5)(B) pur-  
6 suant to subsection (d)(5) to a lease of property eligible  
7 for the rehabilitation tax credit, the lessee of such property  
8 shall include ratably in gross income over the shortest re-  
9 covery period that could be applicable under section 168  
10 with respect to such property an amount equal to 50 per-  
11 cent of the amount of the credit allowable under section  
12 38 to the lessee with respect to such property.”.

13 **SEC. 6006. MODIFICATIONS REGARDING CERTAIN TAX-EX-**  
14 **EMPT USE PROPERTY.**

15 (a) IN GENERAL.—Section 47(e)(2)(B)(v)(I) of the  
16 Internal Revenue Code of 1986 (relating to tax-exempt  
17 use property) is amended by inserting “and subclauses (I),  
18 (II), and (III) of section 168(h)(1)(B)(ii) shall not apply”  
19 after “thereof”.

20 (b) EFFECTIVE DATE.—The amendments made by  
21 this section shall apply to property placed in service after  
22 the date of the enactment of this Act.